



6712-01

FEDERAL COMMUNICATIONS COMMISSION

47 CFR Parts 1, 25, 73, and 74

[GN Docket No. 15-236; FCC 16-128]

**Review of Foreign Ownership Policies for Broadcast, Common Carrier and Aeronautical
Radio Licensees**

AGENCY: Federal Communications Commission.

ACTION: Final rule; announcement of effective date.

SUMMARY: In this document, the Federal Communications Commission (Commission) announces that the Office of Management and Budget (OMB) has approved, for a period of three years, information collection requirements adopted in the Commission's Report and Order, FCC 16-128. This document is consistent with the Report and Order, which stated that the Commission would publish a document in the Federal Register announcing OMB approval and the effective date of the rules.

DATES: This final rule is effective on **[INSERT DATE OF PUBLICATION IN THE FEDERAL REGISTER]**. The amendments to 47 CFR 1.5000 through 1.5004, 25.105, 73.1010 and 74.5, published at 81 FR 86586, December 1, 2016, are effective on **[INSERT DATE OF PUBLICATION IN THE FEDERAL REGISTER]**.

FOR FURTHER INFORMATION CONTACT: Cathy Williams by e-mail at Cathy.Williams@fcc.gov and telephone at (202) 418-2918.

SUPPLEMENTARY INFORMATION: This document announces that, on April 9, 2017, OMB approved information collection requirements contained in the Commission's Report and Order, FCC 16-128, published at 81 FR 86586. The OMB Control Number is 3060-1163. The

Commission publishes this notice as an announcement of the effective date of those information collection requirements.

SYNOPSIS

As required by the Paperwork Reduction Act of 1995 (44 U.S.C. 3507), the FCC is notifying the public that it received OMB approval on April 9, 2017, for the information collection requirements contained in 47 CFR 1.5000 through 1.5004, 25.105, 73.1010 and 74.5, as amended, in the Commission's Report and Order, FCC 16-128. Under 5 CFR part 1320, an agency may not conduct or sponsor a collection of information unless it displays a current, valid OMB Control Number. No person shall be subject to any penalty for failing to comply with a collection of information subject to the Paperwork Reduction Act that does not display a current, valid OMB Control Number. The OMB Control Number is 3060-1163.

The foregoing notice is required by the Paperwork Reduction Act of 1995, Public Law 104-13, October 1, 1995, and 44 U.S.C. 3507.

The total annual reporting burdens and costs for the respondents are as follows:

OMB Control Number: 3060-1163.

OMB Approval Date: April 9, 2017.

OMB Expiration Date: April 30, 2020.

Title: Regulations Applicable to Broadcast, Common Carrier and Aeronautical Radio Licensees Under Section 310(b) of the Communications Act of 1934, as amended.

Form Number: N/A.

Respondents: Business or other for-profit entities.

Number of Respondents and Responses: 81 respondents; 81 responses.

Estimated Time per Response: 2 hours - 46 hours.

Frequency of Response: On-occasion reporting requirement.

Obligation to Respond: Required to obtain or retain benefits. The statutory authority for this collection of information is contained in 47 U.S.C. 151, 152, 154(i), 154(j), 160, 303(r), 309, 310 and 403.

Total Annual Burden: 1,830 hours.

Total Annual Cost: \$524,400.

Nature and Extent of Confidentiality: In submitting the information requested, respondents may need to disclose confidential information to satisfy the requirements. However, covered entities would be free to request that such materials submitted to the Commission be withheld from public inspection (see 47 CFR 0.459 of the Commission's rules).

Privacy Act Impact Assessment: No impact(s).

Needs and Uses: On September 29, 2016, the Commission adopted final rules in Review of Foreign Ownership Policies for Broadcast, Common Carrier and Aeronautical Radio Licensees under Section 310(b)(4) of the Communications Act of 1934, as Amended, Report and Order, 31 FCC Rcd 11272 (2016) (2016 Foreign Ownership Report and Order). In the 2016 Foreign Ownership Order, the Commission:

- Modified its foreign ownership filing and review process for broadcast licensees by extending to such licensees the streamlined rules and procedures developed for foreign ownership reviews of common carrier and certain aeronautical licensees (collectively, "common carrier" licensees) (previously codified in Part 1, Subpart F, Sections 1.990 through 1.994 of the Commission's rules), adopted in Review of Foreign Ownership

Policies for Common Carrier and Aeronautical Radio Licensees under Section 310(b)(4) of the Communications Act of 1934, as Amended, IB Docket No. 11-133, Second Report and Order, 28 FCC Rcd 5741(2013), with certain modifications to tailor them to the broadcast context; and

- Reformed the methodology used by both common carrier and broadcast licensees that are, or are controlled by, U.S. publicly traded companies to assess their compliance with the foreign ownership limits in Sections 310(b)(3) and 310(b)(4) of the Act, respectively.

The 2016 Foreign Ownership Report and Order incorporated broadcasters into the common carrier foreign ownership rules through various changes to the rules, including adding new paragraph (e) to Section 1.5000, which sets forth the new methodology for eligible public companies—both broadcast and common carrier—and new paragraphs (f)(2)-(3) of Section 1.5004, which sets forth new compliance provisions for such companies. Moreover, the rules adopted in the 2016 Foreign Ownership Report and Order included the following broadcast-specific provisions in lieu of provisions applicable to common carrier licensees:

- Broadcast licensees filing a petition for declaratory ruling (petition) to request Commission approval of foreign ownership in excess of the 25 percent benchmark in Section 310(b)(4) will use the broadcast “attribution” criteria to determine those U.S. and foreign ownership interests that must be disclosed in the petition. The disclosure will ensure the Commission has sufficient information to understand the licensee's ownership structure and to verify the identity and ultimate control of the foreign investor for which the petitioner seeks specific approval.
- Broadcast licensees will use the broadcast “insulation criteria” set forth in the broadcast attribution rules in determining whether the broadcaster must include in its petition a

request for “specific approval” of a particular foreign investor because the investor holds, or would hold, directly and/or indirectly, more than 5 percent (or, in the case of certain passive investors, more than 10 percent) of the total outstanding capital stock (equity) and/or voting stock (or a controlling share) of the licensee's controlling U.S.-organized parent company. The current insulation criteria for common carrier licensees will continue to apply.

In addition to these tailored changes to incorporate broadcast licensees into the existing foreign ownership rules applicable to common carrier licensees under Section 310(b)(4), the 2016 Foreign Ownership Report and Order clarified the Commission's foreign ownership compliance procedures (to be codified in Section 1.5004(f)(3)-(4)) allowing a broadcast or common carrier licensee to file a petition for declaratory ruling to remedy the licensee's inadvertent non-compliance with the statutory foreign ownership limits or the terms and conditions of the licensee's existing foreign ownership ruling with reasonable assurance that the Commission will not take enforcement action.

The Commission also made non-substantial changes to this information collection to renumber the foreign ownership rules. There is for the most part a one-to-one correlation between the existing rules (1.990-1.994) and the new rules (1.5000-1.5004).

List of Subjects in 47 CFR Parts 1, 25, 73 and 74

Communications common carriers, Radio, Reporting and recordkeeping requirements, Satellites, Telecommunications.

FEDERAL COMMUNICATIONS COMMISSION.

Marlene H. Dortch,
Secretary.
Office of the Secretary.

For the reasons discussed in the preamble, the Federal Communications Commission amends 47 CFR part 1 as follows:

PART 1—PRACTICE AND PROCEDURE

1. The authority citation for part 1 is revised to read as follows:

Authority: 15 U.S.C. 79, et seq.; 47 U.S.C. 151, 154(i), 154(j), 155, 157, 160, 201, 225, 227, 303, 309, 310, 332, 1403, 1404, 1451, 1452, and 1455.

§§ 1.990 through 1.994 [Removed]

2. In Subpart F, remove the undesignated center heading “Foreign Ownership of Common Carrier, Aeronautical en Route, and Aeronautical Fixed Radio Station Licensees” and §§ 1.990 through 1.994.

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